



News Release

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EARLY FILINGS SHOW GROWTH IN REFUNDS AND ELECTRONIC TRANSACTIONS

WASHINGTON – This year's early filers have been getting larger refunds and have been more likely to conduct an electronic tax transaction, according to the Internal Revenue Service.

At \$2,210, the average refund is almost 12 percent higher than at this time last year. Changes in the law affecting tax rates and the child tax credit joined the annual inflation adjustments in helping produce the refund jump.

The child tax credit is not only worth more – a maximum of \$600, rather than \$500 – it's also refundable for more parents. Last year, only taxpayers with three or more children could get a payment if the credit exceeded their tax. Now, any taxpayer with a child may get such a refund, limited to 10 percent of the taxpayer's earned income over \$10,000.

Through February 15th, the IRS had received more than 21 million returns by computer or by phone – nearly 68 percent of the total filings. The IRS expects about 45 million electronic returns this year. E-filing taxpayers benefit from more accurate returns and faster refunds.

More than 3.2 million taxpayers have e-filed from their personal computers – an increase of nearly 38 percent over the comparable period last year. Almost 15.4 million have gone to tax professionals for computer filing – about a 7 percent increase.

"The secret is getting out about e-file," said IRS Commissioner Charles O. Rossotti. "People who use it like it. It's fast, accurate and dependable and delivers refunds in as little as 10 days."

Not only are more taxpayers sending their returns electronically, more are also getting their refunds that way. Nearly 17 million have had their refunds deposited directly to a checking or savings accounts – an increase of almost 11 percent. This accounted for 74 percent of the almost 23 million refunds processed so far.

The total value of refunds has been \$50.6 billion, with 84 percent of that amount delivered with the safety and convenience of direct deposit. The average direct deposit refund has been \$2,509.

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2002 FILING SEASON STATISTICS

Cumulative through the week ending 2/16/01 and 2/15/02

	<u>2001</u>	<u>2002</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	31,272,000	31,068,000	- 0.7
Total Processed	24,144,000	24,690,000	2.3
E-filing Receipts:			
TOTAL	19,438,000	21,031,000	8.2
TeleFile (phone)	2,608,000	2,365,000	- 9.3
Computer	16,830,000	18,666,000	10.9
Tax Professionals	14,470,000	15,420,000	6.6
Self-prepared	2,360,000	3,246,000	37.5
Refunds Certified by the Martinsburg Computing Center:			
Number	22,197,000	22,881,000	3.1
Amount of principal	\$43.910 billion	\$50.566 billion	15.2
Average refund	\$1,978	\$2,210	11.7
Direct Deposit Refunds:			
Number	15,326,000	16,938,000	10.5
Amount	\$35.267 billion	\$42.492 billion	20.5
Average	\$2,301	\$2,509	9.0